

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-244-W - ORDER NO. 97-646
JULY 31, 1997

IN RE: Application of Carolina Water Service,) ORDER
Inc. for Approval of the Transfer of) WAIVING
the Carolina Estates and Carolina Shores) HEARING AND
Water Service Distribution System to the) APPROVING
Beaufort-Jasper Water & Sewer Authority.) TRANSFER

This matter comes before the Public Service Commission of South Carolina ("the Commission") on the Application of Carolina Water Service, Inc. ("CWS" or "the Company") requesting approval of the transfer of the water service distribution system serving the Carolina Estates and Carolina Shores subdivisions (hereafter collectively referred to as "the Subdivisions") in Beaufort County, South Carolina to the Beaufort-Jasper Water & Sewer Authority ("BJWSA"). CWS filed its Application pursuant to 26 S.C. Code Ann. Regs. 103-504. CWS also requested that the Commission waive the requirement for a formal hearing on this Application, if no substantial opposition arose after notice.

By letter dated June 5, 1997, the Commission's Executive Director instructed CWS to publish, one time, in newspapers of general circulation, a prepared Notice of Filing. The Notice of Filing indicated the nature of the Application, explained the effect of the transfer on the customers' rates, and explained the manner in which interested parties could intervene in the

proceedings. CWS was also instructed to notify each affected customer of the transfer by sending a copy of the Notice of Filing to each customer by U.S. Mail. CWS submitted affidavits indicating that the Notice had been published and that the Notice had been mailed to all customers affected by the transfer. The Commission did not receive any Petitions to Intervene or letters of protest regarding the Application for transfer.

After a review of the Application and the applicable law, the Commission makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. CWS is a public utility subject to the jurisdiction of the Commission, and CWS provides water service to customers in the Subdivisions in Beaufort County, South Carolina.

2. CWS desires to transfer its public utility functions with regard to water service in the Subdivisions to BJWSA. CWS has agreed to transfer, and BJWSA has agreed to buy, the water service distribution system (including an assignment of the right to service all of the customers of the Subdivisions, also including an assignment of any and all easements of the Subdivisions). The transfer as contemplated by CWS and BJWSA will be a final transfer and sale of the water service distribution system, and upon transfer of the system, BJWSA will assume liability attendant to the operation of the water service distribution system to the Subdivisions.

3. The Commission finds that the transfer as requested is in

the public interest.

CONCLUSIONS OF LAW

1. The Commission concludes that the requirement of a hearing should be waived as no Petitions to Intervene and no letters of protest were filed with the Commission regarding the instant transfer. Further, the Commission concludes that the waiver of a hearing is in the public interest as the cost of water service to customers in the Subdivisions will decrease if the transfer is approved.

2. The Commission concludes that the transfer of the water service distribution systems in the Subdivisions to BJWSA is in the public interest and should therefore be approved. The transfer will result in lower bills to the customers as the cost of water service will decrease as a result of the transfer.

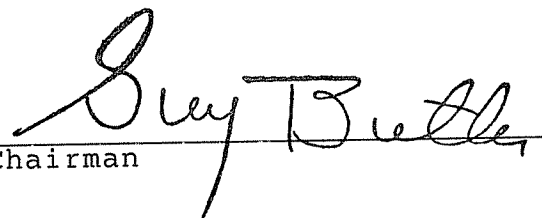
IT IS THEREFORE ORDERED THAT:

1. The transfer of CWS's water service distribution system serving the Carolina Estates and Carolina Shores Subdivisions, Beaufort County, South Carolina to BJWSA is approved.

2. The requirement of a formal hearing in this matter is waived.

3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)